**Viability of Alloy Steel Plant**

4119. SHRI TAPAN KUMAR SEN:

SHRI PRASANTA CHATTERJEE:

Will the Minister of STEEL be pleased to state:

whether it is a fact that Alloy Steel Plant, Durgapur would become redundant after expansion and reverse integration is completed in Salem Steel Plant;

what are the possible outlets for stainless steel slabs produced in Alloy Steel Plant in the event that Salem Steel Plant produces its own stainless steel slabs after expansion; and

what steps are being taken to keep Alloy Steel Plant viable by installing finishing units?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (DR.AKHILESH DAS):(a) No, Sir.

The entire proposed production of stainless steel slabs of Alloy Steel Plant (ASP) is planned to be used by Salem Steel Plant (SSP) even after completion of expansion and reverse integration in Salem Steel Plant.

As per Corporate Plan, steps are being taken to improve ASP's profitability by revamping/replacing many of the existing equipment and adding new facilities such as round/bloom caster, forging facilities. Feasibility studies are being carried out. In addition a number of debottle-necking schemes are also being taken up.

**Requirement of iron-ore**

4120. SHRI TAPAN KUMAR SEN:
SHRI PRASANTA CHATTERJEE:

Will the Minister of STEEL be pleased to state:

what is the projected requirement of iron ore of good quality with 60 per cent or above Fe-content by the year 2020 for our domestic industry;

whether our known reserves of Hematite iron-ore can sustain our plants during the following decades;

whether Government are of the opinion that our rich iron-ore reserves should be conserved to feed the extremely cost intensive steel industry in the long run; and

if so, what steps are being taken to avoid shortage of good qualify iron-ore in future?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS): (a) Projected iron ore requirements, calculated under different growth assumptions for capacity expansion of steel industry are as follows:

(Qty: in billion tonnes)

| Year | Growth rate projection | | | |
|---|---|---|---|---|
| | National Steel Policy (NSP) Project (7.3%) | 8% | 10% | Differential rate* |
| 2020 | 2 | 2.1 | 2.5 | 2.4 |

*differential rate model assumes 10% growth upto 2015, 8% growth rate from 2015-20

As per the growth models mentioned at (a) above, the known reserves of hematite iron-ore, which is at present 7.6 billion tonnes our plants can sustain only for few years after 2030.

Yes, Sir. Ministry of Steel is in favour of conserving rich iron-ore resources for domestic needs.

Being in the deregulated sector market forces determine the demand and supply of iron-ore.

**Import of Iron-ore by China**

4121. SHRI SANTOSH BAGRODIA:
SHRI HARISH RAWAT:

Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that the Chinese entities are boycotting the import of iron-ore from India and if so, the reasons therefor;